

**EXHIBIT B**

April 28, 2021

**VIA PRIORITY AND ELECTRONIC MAIL**

Sentinel Reinsurance, Ltd.  
P.O. Box 10008  
Willow House  
Cricket Square  
Grand Cayman KY1-1001  
Cayman Islands  
Attn: Mr. Damien Austin

Sentinel Reinsurance, Ltd.  
P.O. Box 10008  
Willow House  
Cricket Square  
Grand Cayman KY1-1001  
Cayman Islands  
Attn: Mr. Matthew DiOrio

Mr. Jan Neveril  
c/o Compass OFM Limited  
3rd Floor, 18 Forum Lane  
Camana Bay  
Grand Cayman  
Cayman Islands  
admin@compassofm.com

Beecher Carlson Cayman, Ltd.  
Attn: Mr. Clayton Price  
P.O. Box 10193  
Helix Management Services  
Anderson Square Building 5th Floor  
64 Shedd Road  
Grand Cayman  
KY1-1002  
Cayman Islands  
cprice@beechercarlson.com

Sentinel Reinsurance, Ltd.  
P.O. Box 10008  
Willow House  
Cricket Square  
Grand Cayman KY1-1001  
Cayman Islands  
Attn: Mr. Jan Neveril

Mr. Damien Austin  
c/o International Management Services  
P.O. Box 61  
Harbour Centre  
Grand Cayman KY1-1102  
Cayman Islands  
daustin@ims.ky

Mr. Matthew DiOrio  
7033 Cornelia Lane  
Dallas, Texas 75214  
MDiOrio@highgateconsultants.com

*Sharlee Henshaw  
Carey Olsen  
28 April 2021*

*John Hankins  
Eleetha Hankins  
28 April 2021*

*Kelvin  
Kessene  
Unwind Trial  
30/4/21*

*Risalda Iton  
28 April 2021*

Re: *UBS Securities LLC and UBS AG London Branch v. Highland Capital Management, et al.*, Supreme Court of the State of New York, Cause No. 650097/2009

Dear Sirs:

I write on behalf of Highland CDO Opportunity Master Fund, L.P. (the "Insured"). On or about March 24, 2021, I sent you a formal demand (the "Demand") seeking coverage under the Policy issued by Sentinel in favor of the Insured. The Demand was dated March 19, 2021.<sup>1</sup>

<sup>1</sup> A copy of the Demand is attached hereto as Appendix A. All capitalized terms used but not defined herein have the meanings given to them in the Demand.

As I have not heard from Sentinel regarding the Demand, I thought it prudent to reach out to each of you as either a director of Sentinel or a representative of Sentinel's insurance manager, Beecher Carlson Cayman, Ltd. Please let me know immediately the status of the Demand and the timing of Sentinel's payment to CDO Fund of the amounts due under the Policy.

Also, I am not aware of a claims schedule to the Policy or an appointed third party agent. Please confirm there is no claims schedule to the Policy or appointed third party agent.

I can be contacted at [jpseeryjr@gmail.com](mailto:jpseeryjr@gmail.com) or via telephone at (631) 804-2049. I am available at your convenience.

Sincerely,



James P. Seery, Jr.  
Highland CDO Opportunity Master Fund, L.P.  
Authorized Signatory

## **Appendix A**

March 19, 2021

**VIA CERTIFIED MAIL**

Sentinel Reinsurance, Ltd.  
PO Box 1093  
Boundary Hall, Cricket Square  
Grand Cayman, KY1-1102, Cayman Islands

Re:	Insured:	Highland CDO Opportunity Master Fund, L.P.
	Insurer:	Sentinel Reinsurance, Ltd. (" <u>Sentinel Reinsurance</u> ")
	Policy:	Legal Liability Insurance (the " <u>Policy</u> ")
	Policy Inception:	August 1, 2017
	Covered Action:	<i>UBS Securities LLC and UBS AG London Branch v. Highland Capital Management, L.P., et al.</i> , Supreme Court of the State of New York, Cause No. 650097/2009

To Whom It May Concern:

On behalf of Highland CDO Opportunity Master Fund, L.P. (the "Insured"), I write to formally seek coverage under the Policy for the liability sustained by the Insured in connection with the lawsuit that was the subject of the Policy: *UBS Securities LLC and UBS AG London Branch v. Highland Capital Management, L.P., et al.*, Supreme Court of the State of New York, Cause No. 650097/2009 (the "UBS Action").

On November 14, 2019, the court in the UBS Action rendered a final Decision and Order after Trial, finding in favor of Plaintiffs UBS Securities LLC and UBS AG London Branch on their third and fourth cases of action against the Insured. The court entered the attached Judgment on February 10, 2020, granting Plaintiffs an overall judgment as of January 22, 2020 of \$1,039,957,799.44, plus interest per day thereafter of \$128,065 until entry of judgment. Of this amount, \$530,378,477.72, plus interest per day thereafter of \$65,313.08, is attributable to the Insured. The Judgment became final on October 14, 2020.

The Judgment in the UBS Action triggers coverage under Section 2.1 of the Policy. As the Insured's legal liability exceeds the limit of indemnity under the Policy, the Insured demands that Sentinel Reinsurance immediately tender the sum of \$100,000,000.00 to the Insured at the following address:

**Highland CDO Opportunity Master Fund, L.P.**  
c/o Highland Capital Management, L.P.  
300 Crescent Court, Suite 700  
Dallas, Texas 75201  
Attention: David Klos, Chief Financial Officer

March 19, 2021  
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Wire instructions are available upon request.

We look forward to receiving Sentinel Reinsurance's prompt acknowledgment of coverage under the Policy and timely payment.

Best regards,



James P. Seery, Jr.  
Highland CDO Opportunity Master Fund, L.P.  
Authorized Signatory

Attachment: February 10, 2020 Judgment

FILED: NEW YORK COUNTY CLERK 02/10/2020 10:21 AM

NYSCEF DOC. NO. 646

INDEX NO. 650097/2009

RECEIVED NYSCEF: 02/10/2020

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

UBS SECURITIES LLC and  
UBS AG, LONDON BRANCH,

Plaintiffs;

- against -

HIGHLAND CAPITAL MANAGEMENT, L.P.,  
HIGHLAND CDO OPPORTUNITY MASTER  
FUND, L.P., HIGHLAND SPECIAL  
OPPORTUNITIES HOLDING COMPANY,  
HIGHLAND FINANCIAL PARTNERS, L.P.,  
HIGHLAND CREDIT STRATEGIES MASTER  
FUND, L.P., HIGHLAND CRUSADER  
OFFSHORE PARTNERS, L.P., HIGHLAND  
CREDIT OPPORTUNITIES CDO, L.P., and  
STRAND ADVISORS, INC.,

Defendants.

Index No.: 650097/2009

Hon. Marcy S. Friedman  
IAS Part 60

**FILED**

FEB 10 2020

COUNTY CLERK'S OFFICE  
NEW YORK

[REDACTED] JUDGMENT

Plaintiffs UBS Securities LLC and UBS AG, London Branch, having filed a Complaint against Defendants Highland Capital Management, L.P., Highland CDO Opportunity Master Fund, L.P., Highland Special Opportunities Holding Company on February 24, 2009;

NOW, Plaintiffs UBS Securities LLC and UBS AG, London Branch having filed their Second Amended Complaint against Defendants Highland Special Opportunities Holding Company ("SOHC"), Highland CDO Opportunity Master Fund, L.P. ("CDO Fund," and together with SOHC, the "Fund Counterparties"), Highland Financial Partners, L.P., Highland Credit Strategies Master Fund, L.P., Highland Crusader Offshore Partners, L.P., Highland Credit Opportunities CDO, L.P., and Strand Advisors, Inc., which was consolidated with the claims set forth in Plaintiffs' June 28, 2010 Complaint against Defendant Highland Capital Management, L.P. (Index. No. 650752/2010);

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INDEX NO. 650097/2009

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NOW, the Court having held trial from July 9, 2018 through July 27, 2018, on (1) Plaintiffs' third and fourth causes of action against the Fund Counterparties, and (2) Defendant Highland Capital Management, L.P.'s counterclaims against Plaintiffs;

AND the Court having rendered a final Decision and Order after Trial on November 14, 2019, in which it found in favor of Plaintiffs UBS Securities LLC and UBS AG, London Branch on their third and fourth causes of action against the Fund Counterparties, and dismissed Defendant Highland Capital Management, L.P.'s counterclaims with prejudice;

IT IS NOW HEREBY ORDERED AND ADJUDGED that Plaintiffs UBS Securities LLC, with an address of 677 Washington Blvd, Stamford, Connecticut, and 299 Park Avenue, New York, New York and UBS AG, London Branch with an address of Finsbury Avenue, London United Kingdom are granted a judgment of \$519,374,149 and entitled to prejudgment interest in the amount of 9% simple interest per year from the date of the breach, which the Court has determined is December 5, 2008, for an overall judgment as of January 22, 2020 of \$1,039,957,799.44, with additional interest per day thereafter of \$128,065 until entry of judgment, to be apportioned among Defendants as follows:

- (i) \$264,880,815.99 against Defendant Highland CDO Opportunity Master Fund, L.P. with an address of 52 Reid Street, Hamilton, Bermuda, plus \$265,497,661.73 in prejudgment interest, for a total judgment against Defendant Highland CDO Opportunity Master Fund, L.P. as of January 22, 2020 of \$530,378,477.72 with additional prejudgment interest per day thereafter of \$65,313.08 until entry of <sup>The sum of \$1,240,448.52, for</sup>  
~~of \$531,619,426.24~~  
judgment in the total amount, and it is ordered that Plaintiffs shall have execution thereof, provided that enforcement shall be stayed as to \$35,955,000 (51% of \$70.5 million); and

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(ii) \$254,493,333.01 against Defendant Highland Special Opportunities Holding Company with an address of Walker House, 87 Mary Street, George Town, Grand Cayman, Cayman Islands, plus \$255,085,988.72 in prejudgment interest, for a total judgment against Defendant Highland Special Opportunities Holding Company as of January 22, 2020 of \$509,579,321.73 with additional prejudgment interest per day thereafter of \$62,751.78 until entry of judgment in the total amount, and it is ordered that Plaintiffs shall have execution thereof, <sup>The sum of \$1,192,233.62, for</sup> <sup>of \$510,771,605.55 X</sup> provided that enforcement shall be stayed as to \$34,545,000 (49% of \$70.5 million).

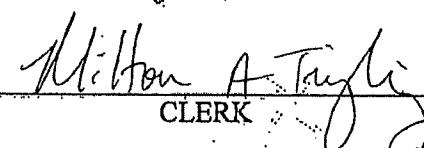
ENTER:

Dated: New York, New York  
January 22, 2020

  
HON. MARCY S. FRIEDMAN, J.S.C.

FILED

FEB 10 2020

  
Milton A. Taylor  
CLERK

COUNTY CLERK'S OFFICE  
NEW YORK

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SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

INDEX # 650097/2009

*UBS Securities LLC, UBS AG, London Branch*

Plaintiff(s)/Petitioner(s)

Against

*Highland Capital Management, L.P., Highland CDO  
Opportunity Master Fund, L.P., Highland Special  
Opportunities Holding Company, Highland Financial  
Partners, L.P., Highland Credit Strategies Fund,  
Highland Crusader Offshore Partners, L.P., Highland  
Credit Opportunities CDO, L.P., Strand Advisors Inc.*

Defendant(s)/Respondent(s)

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JUDGMENT

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*Attorney for the Prevailing Party*

Latham & Watkins LLP  
885 Third Avenue  
New York, NY 10022  
(212) 906-1200

Kirkland & Ellis LLP  
601 Lexington Ave  
New York, NY 10022  
(212) 446-4800

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**FILED AND  
DOCKETED**

FEB 10 2020

AT 10:20 A M  
N.Y., CO. CLK'S OFFICE